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29 November 2016

The Secretary, Joint Select Committee on Future Gaming Markets
Legislative Council
Parliament House
Hobart 7000
Phone: 6212 2250
Email: fgm@parliament.tas.gov.au

RE: Submission to the Joint Select Committee on Future Gaming Markets

Holyoake is a leading provider of counselling services for those affected by their own or another person's substance use, gambling, or other addictive behaviour. Holyoake welcomes the opportunity to contribute to the Parliamentary Inquiry into Future Gaming Markets.

The purpose of this submission is to provide an expert opinion on the impact of poker machines on the lives of many Tasmanian families.

Australians spend nearly \$12 billion a year on poker machines and three quarters of all problem gamblers have problems with poker machines. Problem gamblers lose around \$21,000 each year with some high intensity poker machines losing the gambler up to \$1500 an hour. (1).

200 million dollars are lost to poker machines in Tasmania every year (2), and the worst affected suburbs are those whose inhabitants can least afford it. There is a clear tendency for poker machine venues to cluster in areas of high socio-economic disadvantage, where people are more likely to suffer unemployment, poor health and lack of social connection. They are both more vulnerable to poker machines and are more likely to suffer from them (3). In these communities money is tight and any loss will result in negative consequences. At Holyoake, we see the families of problem gamblers suffer financially, from disruption and neglect of relationships, loss of trust and community stigma.

Community surveys have shown that 80% of Tasmanians consider poker machines as a serious social problem, and 4 in 5 people want them reduced or removed from clubs and hotels (2).

Studies discussed further in this submission show that problem gamblers experience similar behaviours to those addicted to alcohol and drugs. They prioritise gambling over other parts of

their lives, continue to gamble despite suffering serious negative consequences, and find it difficult to stop even when they sincerely desire to do so.

The euphoric state experienced during gambling is comparable to the 'high' derived from alcohol, heroin, cocaine or other drugs. Increasing bets is equivalent to the development of tolerance to a substance, and the experience of withdrawal symptoms exists in both substance and gambling dependence (4).

The social, physical and mental health problems affecting both the problem gambler and their families are often due to a reduced household income (5). At Holyoake, this has often been observed to lead to criminal activity, loss of employment, family breakdown, domestic violence, child neglect and incarceration. Problem gambling deprives the family of the ability to afford necessities such as food, clothing, school uniforms, health services, and shelter (6, 7). The issues associated with problem gambling are consistent with issues observed in Holyoake clients, and include:

- For every problem gambler, five to ten other people (family, friends, and work colleagues) are also affected (8)
- 40-60% of problem gamblers in treatment experience clinical depression, display suicidal ideation, or have significant levels of anxiety (9, 10, 11)
- Problem gamblers are four times as likely to smoke than non-problem gamblers (12)
- 30 – 40% of gamblers have a concurrent substance dependence or abuse (10, 13)
- 30-40 % of gamblers have poorer physical health than the general population (14)
- Suicide risk is strongly elevated for problem gamblers (15)

Current literature demonstrates that a wide range of structural factors within the technology used to develop the poker machines influences problem gambling. These factors include the reinforcement schedule which determines the number and scale of prizes, credit value, the reel symbol ratio, fitment of bank note acceptors and spin speed (19). The speed and intensity of a poker machine is designed to induce a dissociative state known as 'the zone'. This offers temporary relief from stress and emotional problems which many people find seductive, however it is easy for this to get out of control. Every feature of a poker machine is calibrated to increase a gambler's "time on device" and to encourage playing until all the money is gone (16).

Accessibility to poker machines is a key factor influencing problem gambling. People are attracted to gambling venues which are geographically accessible to their home, work, on regularly used routes to those places (17).

In 2010, the Tasmanian Government received \$100 million in taxation and licence fees, and up to 4780 Tasmanian were employed by the gaming industry (19). Both of these are strong financial disincentives for the government to change to current arrangements. In 2023 however, the Federal Groups' monopoly on poker machines in pubs and clubs in Tasmania expires, after which there will be no longer be a legal excuse to prevent the State Government from removing poker machines from pubs and clubs. This will provide the Tasmanian Government an opportunity to

consider the ethics of supporting the perpetuation of an industry which has such far reaching negative social implications for the people of Tasmania.

Gambling using poker machines creates significant harm on an individual and community level in Tasmania. It is a societal and public health issue requiring effective interventions to both reduce the potential for harm to the individual and their family and to address broader social, political and economic factors (18).

Holyoake considers the Tasmanian Government has a responsibility to protect the consumer and the wider community from foreseeable harm by minimising the damage being caused by poker machines.

While there are many strategies that can reduce gambling related harm, with various levels of effectiveness, Holyoake recommends to the Tasmanian Government the following actions:

1. Remove poker machines from hotels and clubs.
2. Disallow any additional poker machines in casinos.
3. Impose a maximum \$1 bet limit on all remaining poker machines.
4. Increase funding for specialist therapeutic counselling for those affected by problem gambling.



Sarah Charlton
Chief Executive Officer

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From: Sarah Charlton <Sarah@holyoake.com.au>
Sent: Tuesday, 29 November 2016 4:59 PM
To: fgm
Subject: Submission from Holyoake Tasmania Inc. (Holyoake) on Future Gaming Markets in Tasmania
Attachments: Holyoake Submission - Future Gaming Markets.pdf

The Secretary
Joint Select Committee on Future Gaming Markets
Legislative Council
Parliament House
HOBART 7000

Dear Sir / Madam

Please find attached a submission from Holyoake Tasmania Inc. (Holyoake) on Future Gaming Markets in Tasmania.

Regards
Sarah

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